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DEPT OF ENVIRONMENT & NATURAL  
RESOURCES - RCRO

DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES  
Minerals & Mining Program - Oil & Gas Section  
2050 West Main, Suite #1, Rapid City, SD 57702-2493  
Telephone: 605-394-2229, FAX: 605-394-5317

FORM 2

## APPLICATION FOR PERMIT TO DRILL

OK 500+ Brown 160 ac 5.111  
Bundy fur

Type of work: <input checked="" type="checkbox"/> Drill New Well <input type="checkbox"/> Reenter Well <input type="checkbox"/> Drill Directional Well		Type of well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Injection	
<input type="checkbox"/> Other _____		<input type="checkbox"/> Other _____	
Name and Address of Operator: Inland Oil & Gas Corporation P. O. Box 1313 Bismarck, ND 58502		701-255-1416 Telephone	
Name and Address of Surface Owner: Tim & Carol Hjort 2101 W. Blvd Rapid City, SD 57701			
Name and Address of Drilling Contractor and Rig Number: Elenburg Exploration, Inc. Rig 10 P. O. Box 2440, Casper, WY 82602			
Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available): SENE Sec 18 T16N R2E, Harding County, SD 1475 FNL 1310 FEL Lat 45 deg 21' 12.90" Lon 103 deg 55' 16.73" 1150 fur			
If Directional, top of pay and bottom hole location from nearest lines of section: Straight Hole			
Acres in Spacing (Drilling) Unit 598.48		Description of Spacing Unit Section 18: Lots 1-4, E/2W/2, E/2	
Well Name and Number Heikkila #5-18	Elevation 3470.8	Field and Pool, or Wildcat Wildcat	Proposed Depth and Formation 3850 Dakota
Size of Hole 1) 12 1/4 2) 7 7/8 3) 4)	Size of Casing 8 5/8 5 1/2	Weight per Foot 24 15.5	Depth 400 3850
Cementing Program (amount, type, additives) Depth 225 Sx G with 2% CaCl 600 Sx 50/50 PozMix w/Fluid Loss Additives			
Describe Proposed Operations (Clearly State all Pertinent Details, and Give Pertinent Dates, including Estimated Date of Starting any Proposed Work). Use additional page(s) if appropriate. Spud well approximately Feb 1, 2004. Drill 12 1/4 in hole to 400 ft. Run and cement 8 5/8 in casing at 400 ft. Install and test BOP. Drill out with 7 7/8 in bit, drill to 3850 ft. Log and test as needed. If productive run and cement 5 1/2 in casing, if non productive, plug and abandon lower hole, run 4 1/2 in casing to 1500 ft, complete as Shannon gas well.			
I hereby certify that the foregoing as to any work or operation performed is a true and correct report of such work or operation.			
Signature 		Lynn Moser Name (Print) President STATE GEOLOGICAL SURVEY WESTERN FIELD OFFICE Date 12/18/03	

## FOR OFFICE USE ONLY

Approved By: Title: Oil & Gas Supervisor  
Permit No. 1703 40 063 20578 (FVS) Date Issued: 01/07/2004  
Conditions, if any, on attached page. API No. 40X063X20578